Automated Commercial Environment Updates – October 2011

Automated Commercial Environment (ACE)

- The Automated Commercial Environment (ACE) is a multi-year project to modernize the business processes essential to securing U.S. borders, speeding the flow of legitimate shipments, and targeting illicit goods.
- ACE modernizes and enhances trade processing with features that will consolidate and automate border processing and will replace the current system, the Automated Commercial System (ACS). It provides a centralized online access point to connect U.S. Customs and Border Protection (CBP) and the trade community. ACE interfaces with and consolidates information from Targeting, Free and Secure Trade and the ACS. ACE will facilitate collection and distribution of standard electronic import and export data required by all Federal agencies participating in the International Trade Data System (ITDS).

Deployed ACE Capabilities

- ACE Secure Data Portal
  - More than 19,347 trade user accounts
  - Enables users to proactively check for unauthorized filers and monitor compliance data not available through the ACS
  - Allows truck carriers to file electronic manifest via portal at no charge
  - Provides access to over 125 customizable reports
- Periodic Monthly Statement
  - More than $1B average monthly collection of revenue via the ACE periodic monthly statement feature, representing more than 55% of all duties and fees collected
  - Allows duty payments on the 15th working day of the month following release, providing significant cash flow benefits
- Participating Government Agency (PGA) access to ACE
  - Access to ACE specifically benefits the missions of other agencies, including:
    - Food Safety and Inspection Service
    - Consumer Product Safety Commission
    - Census Bureau
    - Import Administration
- Electronic filing of e-Manifest: Truck
  - Primary processing time for trucks is approximately 29.2% faster nationwide (at select locations with established ACS baselines) than prior to the implementation of ACE e-Manifest: Truck
  - Processing an average of 190,000 trucks nationally per week
- Entry Summaries
  - Forty six (46) approved entities authorized to file ACE entry summaries using Automated Broker Interface (ABI)
  - More than 557,199 ACE entry summaries filed (since functionality was introduced in April 2009)
  - Automated ability via Post Summary Corrections (PSC to submit corrections to ACE entry summary types 01 and 03, providing for:
    - Elimination of paper corrections for summaries filed in ACE
    - Streamlined acceptance process

- ▪ Uniform process for submitting corrections
- Importer Security Filing (ISF)
  - o Low volume importers to file their ISF transactions via the ISF Portal.
  - o Importers, Filers, and Surety companies to request ISF reports via the ISF Portal. CBP plans to discontinue dissemination of the ISF reports via email as of December 31, 2011.
  - o Additional ISF reports and query capabilities will be deployed in the future.
- e-Manifest: Rail and Sea (M1)
  - o The M1 code baseline was successfully deployed to ACE Production.

Projects Status

ITDS Initiatives:
Through ITDS initiatives, ACE will become the "single window" for the trade community to submit data required by all Federal agencies for the clearance of cargo. Efforts to develop and implement, as well as project status, appears below:

- **PGA Interfaces/Interoperability**: Identifies and then builds the interfaces and protocols through which the PGAs and CBP will communicate and share information related to cargo imports.
  - o Interoperability plans are being developed by CBP and various PGAs.
  - o In the beginning of September, the Consumer Product Safety Commission began successfully receiving authorized production entry and entry summary data directly from CBP. To date, several hundred thousand Entries and Entry Summaries have been disbursed to CPSC using the Interoperability Framework.
  - o PGA Interoperability capabilities were deployed to Production in August 2011.
  - o The first web service capability became available in 4QFY11.

- **PGA Message Set**: A single, harmonized set of information that will be collected electronically from international traders by CBP on behalf of the PGAs, thereby allowing CBP and the PGAs to make decisions about what cargo can come into the US without the myriad of paper forms currently required.
  - o The PGA Message Set was approved by Tim Skud, Deputy Assistant Secretary, Tax, Trade and Tariff Policy, Department of the Treasury and Chair of the ITDS Board of Directors, on May 19, 2011.
  - o CBP published the "implementation guides" on cbp.gov for the PGA Message Set on June 3, 2011 so international traders and PGAs can begin getting ready to use this new capability.
  - o CBP is in the process of building the technology that supports the collection of the PGA Message Set. The solution was targeted for release in October 2011, however, because of external dependencies, this release will be pushed out to November 2011.
- **Document Image System (DIS)**: Allows trade members to supply documentation needed during the cargo release process to Federal agencies electronically.
  - o DIS was deployed to production in October 2010, allowing the Trade to electronically transmit document images and associated data to CBP to facilitate the import cargo review and release process.

o CBP created an ACE Portal link to allow CBP and PGAs to access DIS for imaged forms in March 2011.

o CBP plans to use "Web services" technology to push these imaged forms and corresponding "meta data" to PGAs. The standards for the web services will be delivered to the PGAs by October 2011. Discussions with PGAs will be undertaken to determine which agencies will be ready for testing this functionality.

o Monthly DIS releases have continuously enhanced features and functionality as agreed upon with the customer. With this, supported document types continue to expand.

e-Manifest: Rail and Sea (M1)

- M1 will provide a consolidated view of rail and sea shipment manifest and entry data at the bill of lading or container level to facilitate the identification of shipments that may pose a risk and expedite the pre-arrival processing of legitimate cargo.
- M1 pilot phases began late August 2011.
- Anticipated system deployment for CBP and the Trade will be announced in the fall of 2011.
- Full deployment is scheduled for the winter of 2012.

Cargo Release

The development of the Cargo Release requirements will focus on the admissibility of imported articles and their release into the commerce of the United States in coordination with PGAs and the trade community.

- CBP has completed the Concept of Operations and Operational Requirements Document, two key management and requirements documents that capture the purpose and desired functionality of Cargo Release. Assuming adequate funding is available, the design and acquisition phase for Cargo Release will begin with an anticipated contract award in early Fiscal Year 2012.

Automated Export Processing

CBP is planning to establish ACE as the single processing platform for all export manifest, commodity, licensing, and export control transactions. This is in keeping with the President's National Export Initiative (NEI) and the Export Control Reform Initiative. Current plans call for the development of an automated export manifest system for all modes. This will involve coordination with the Bureau of the Census and other PGAs involved in export licensing and commodity transactions.

- CBP will establish and interface between the Census Bureau's Automated Export System (AES) and the ACE platform to allow CBP and the PGAs access to export control and licensing information required for processing and releasing export shipments with the initial focus on the primary export control and licensing agencies.
- The automated export processing system will also focus on the three ITDS initiatives noted above to: 1) develop a standard data set document for export transactions; 2) develop the capability to accept document images to support manifest, commodity, or licensed export filings; and 3) develop functionality for an Interoperability Web Based System among CBP and PGAs.